



STAFF REPORT

Meeting Date: January 28, 2014

Agenda Item #8I

Agency: Belmont Fire Protection District

Staff Contact: Thomas Fil, Finance Department, (650) 595-7435, tfil@belmont.gov

Agenda Title: Resolution of the Belmont Fire Protection District Board Authorizing a Supplemental Appropriation to the Belmont Fire Protection District's FY 2014 Budget for Payment of CalPERS Legacy Obligations

Agenda Action: Resolution

Recommendation

Recommend approval of a supplemental appropriation for the Belmont Fire Protection District's (District) FY 2014 Budget for payment of CalPERS legacy obligations.

Background

On June 11, 2013, the Board of Directors adopted the FY 2014 Budget, which included the District's contribution to the Belmont-San Carlos Fire Department (Department) for Legacy Obligations. Based on guidance at that time, the Department (and therefore, the District) only included sufficient funding to pay the amortization of the Side Funds in their FY 2014 Budget. CalPERS provided no instructions on the payment of the Risk Pool portion, which was not unusual given CalPERS' past practice in handling other similar situations.

Analysis

Recently, CalPERS invoiced the Department for the FY 2014 Employer contribution for the Safety and Miscellaneous plans in the amount of \$2,687,422 and \$31,561, respectively. This invoice includes both the Amortization of the Side Fund and the Risk Pool portion.

The Department's FY 2014 Budget includes funding in the amount of \$2,113,148. An additional \$605,835 for the Risk Pool portion is needed from the Member Agencies. Based on the funding formula for the Department, an additional contribution is required from the Member Agencies as follows: Belmont Fire Protection District (\$285,348- 47.1%) and the City of San Carlos (\$320,487- 52.9%).

On January 23, 2014, the Department's Fire Commission recommended that the FY 2014 Budget amendment to be sent to the Member Agencies for ratification. Upon ratification by the Member Agencies, the Budget amendment will be formally adopted, the Member Agencies will be requested to fund their respective contributions, and the payment will be made to CalPERS. The CalPERS payment is now due.

Alternatives

1. With direction, refer to staff for further consideration.

Attachments

A. Implementing Resolution

Fiscal Impact

- ☐ No Impact/Not Applicable
- ☐ Funding Source Confirmed: There are sufficient reserves available in the Belmont Fire Protection District Fund for this purpose and authorization of this action will direct staff to bring back a supplemental appropriation of \$285,348 as part of the Mid-Year Review in February.

Source:

- ☐ Council
- ☒ Staff
- ☐ Citizen Initiated
- ☐ Other*

Purpose:

- ☒ Statutory/Contractual Requirement
- ☐ Council Vision/Priority
- ☐ Discretionary Action
- ☐ Plan Implementation*

Public Outreach:

- ☒ Posting of Agenda
- ☐ Other*

RESOLUTION NO. 2014-

A RESOLUTION OF THE BELMONT FIRE PROTECTION DISTRICT BOARD AUTHORIZING A SUPPLEMENTAL APPROPRIATION TO THE BELMONT FIRE PROTECTION DISTRICT'S FY 2014 BUDGET FOR PAYMENT OF CALPERS LEGACY OBLIGATIONS

WHEREAS, pursuant to Section 4.2 of Article IV of the Belmont-San Carlos Fire Department's Joint Powers Agreement, the Fire Commission must obtain the prior consent of the Belmont Fire Protection District and the City of San Carlos on budget amendments before they are formally adopted; and,

WHEREAS, CalPERS invoiced the Belmont-San Carlos Fire Department (Department) for the FY 2014 Employer contribution for the Safety and Miscellaneous plans in the amount of \$2,687,422 and \$31,561, respectively; and,

WHEREAS, the Department's FY 2014 Budget includes funding for the Side Fund portion only and an additional \$605,835 is needed from the Member Agencies for the Risk Pool portion; and,

WHEREAS, the Department's Fire Commission recommended a Supplemental Budget Appropriation and Revision to Revenues for the payment of the FY 2014 CalPERS contribution; and,

WHEREAS, the cost allocation formula stipulates the Belmont Fire Protection District pay \$285,348 (47.1%) and the City of San Carlos \$320,487 (52.9%); and,

WHEREAS, there are sufficient reserves available in the Belmont Fire Protection District for this purpose and authorization of this action will direct staff to bring back a supplemental appropriation and a revision to the revenue budget as part of the Mid-Year Review.

NOW, THEREFORE, the Board of Directors of the Belmont Fire Protection District resolves as follows:

SECTION 1. The Belmont Fire Protection District ratifies the Belmont-San Carlos Fire Department's FY 2014 Budget Supplemental Appropriation and Revision to Revenues in the amount of \$605,835 for the payment for the FY 2014 CalPERS contribution. The Belmont Fire Protection District's additional contribution is \$285,348.

* * *

ADOPTED January 28, 2014, by the Board of Directors of the Belmont Fire Protection District by the following vote:

Ayes:

Noes:

Absent:

Abstain:

ATTEST:

Board Secretary

Board President

APPROVED AS TO FORM:

Board Attorney